GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:65
ANSWERED ON:06.12.2004
LOWER PRICES OF SUGAR
Barad Shri Jashubhai Dhanabhai

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the sugar prices have been falling over the years particularly during the last three years ;

(b) if so, the details thereof and the main reasons for the same;

(c) whether the sugarcane growers are unable to get a fair price for their produce and the sugar mills also suffer losses;

(d) if so, the loss incurred by the sugarcane farmers and sugar mills during the last three years especially in Gujarat;

(e) whether the Union Government is considering any proposal to help the sugarcane growers and sugar mills in the country, especially in Gujarat; and

(f) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d), (e) & (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF STARRED QUESTION NO. 65 DUE FOR ANSWER ON 06-12-2004 IN THE LOK SABHA.

(a): Taking October 2001 as base, the declining trend in the price of sugar continued till April, 2004 but, thereafter, it has firmed up.

(b): The details of month wise range of wholesale price of sugar in the four principal markets of the country during the last 3 sugar seasons are given in Annexure. The main reason for this fall in prices is high levels of sugar production in the earlier sugar seasons ranging from 181.93 lakh M.Ts (1999-2000 sugar season), 185.10 lakh M.Ts (2000-2001 sugar season), 184.98 lakh M.Ts (2001-2002sugar season) and 201.32 lakh M.Ts (2002-2003 sugar season).

(c)&(d): Fair price for sugarcane farmers is ensured through fixation of Statutory Minimum Price of sugarcane payable by sugar mills to the sugarcane growers for each sugar season based on various factors like cost of production of sugarcane, return to the grower from alternative crops and general trend of prices of agricultural commodities. The losses suffered by sugar mills in the country, including Gujarat can, however, be on account of several managerial and technological factors, one of which is the prevailing sugar prices.

(e)&(f): The Government of India have already taken steps to help the sugarcane growers and sugar mills in the country like reducing levy obligation of sugar factories to 10% of their production, providing buffer subsidy to the sugar mills to clear cane arrears and providing export subsidy/incentives on export shipments of sugar.

ANNEXURE

ANNEXURE REFERRED IN REPLY TO PART (b) OF THE STARRED QUESTION NO.65 DUE FOR ANSWER ON 06.12.2004 IN THE LOK SABHA.

STATEMENT SHOWING RANGE OF WHOLESALE PRICES OF S-30 GRADE OF SUGAR IN THE FOUR PRINCIPAL MARKETS OF THE COUNTRY (RS./QTL.)

(SOURCE: DTE. OF ECONOMICS & STATISTICS, MIN. OF AGRICULTURE)

MONTH	DELHI	MUMBAI#	KOLKATA##	CHENNAI	ALL 4 CENTRES

Sugar Season (2001-2002)

Oct, 2001 1500-1580 1415-14 1580-1630 1410-1450 1410-1630
NOV 1530-1560 1418-1480 1580-1620 1415-1430 1415-1620
DEC 1460-1520 1370-1450 1530-1590 1395-1430 1370-1520
JAN, 2002 1420-1460 1355-1441 1510-1540 1400-1435 1355-1540
FEB 1400-1430 1360-1435 1540-1550 1430-1440 1360-1550
MARCH 1430-1450 1400-1465 1540-1580 1425-1435 1400-1580
APRIL 1430-1450 1400-1455 1550-1580 1410-1430 1400-1580
MAY 1400-1450 1333-1450 1540-1575 1400-1415 1333-1575
JUNE 1425-1440 1320-1400 1510-1550 1350-1390 1320-1550
JULY 1420-1440 1305-1375 1500-1520 1350-1370 1305-1520
AUG 1380-1420 1310-1425 1450-1490 1340-1350 1310-1490
SEPT 1375-1380 1285-1401 1450-1500 1350 1285-1500

Sugar Season (2002-2003)

Oct, 02 1340-1375 1220-1374 1450-1480 1350 1220-1480
NOV 1320-1340 1160-1271 1350-1450 1250-1280 1160-1450
DEC 1300-1325 1160-1410 1330-1360 1220-1250 1160-1360
JAN, 03 1280-1300 1165-1230 1340-1380 1220 1165-1380
FEB 1250-1280 1150-1215 1350-1370 1215-1230 1150-1370
MARCH 1250-1260 1150-1211 1320-1350 1199-1215 1150-1350
APRIL 1240-1250 1148-1252 1340-1360 1199-1241 1148-1360
MAY 1240-1250 1147-1204 1340-1400 1194-1241 1147-1400
JUNE 1240-1270 1130-1310 1325-1400 1194-1241 1130-1400
JULY 1270-1310 1237-1425 1380-1490 1241-1441 1237-1490
AUG 1300-1440 1325-1443 1480-1575 1441 1300-1575
SEPT 1440-1445 1325-1395 1520-1540 1409-1441 1325-1540

Sugar Season (2003-2004)

Oct, 03 1435-1500 1336-1401 1520-1535 1340-1355 1336-1535
NOV 1450-1500 1296-1401 1470-1530 1345-1355 1296-1530
DEC 1380-1430 1281-1362 1420-1510 1280-1300 1280-1510
JAN, 04 1350-1370 1271-1461 1400-1460 1275-1300 1271-1461
FEB 1360-1460 1350-1545 1480-1605 1300-1550 1300-1605
MARCH 1440-1460 1370-1480 1520-1590 1425-1460 1370-1590
APRIL 1450-1480 1375-1575 1550-1635 1460-1510 1375-1635
MAY 1525-1570 1490-1571 1660-1720 1535-1600 1490-1720
JUNE 1525-1535 1500-1595 1670-1690 1540-1600 1500-1690
JULY 1525-1535 1498-1597 1670-1700 1500-1550 1498-1700
AUG 1535-1550 1535-1695 1680-1790 1540-1600 1535-1790
SEP 1550-1625 1570-1645 1710-1800 1570-1640 1550-1800

Source:- Economic Times.
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